

# Government Contracts Mythology

NAVY GOLD COAST  
SMALL BUSINESS CONFERENCE  
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# MYTH

## Start Up Small Businesses Should Subcontract to a Prime Contractor

- Commercial Past Performance will support government past performance requirements
  - Successful track record in the commercial sector commendable; federal contracting is a very different environment. Commercial companies frequently do not meet Federal requirements (DCAA Approved System, FAR oriented contract administration/proposal management, quality assurance systems)
- Marketing to the whole federal government should lead to something; tracking opportunities in FBO on a daily basis for RFPs to bid or approach large primes should lead to teaming
- Send a lot of emails but seem to have difficulty getting responses. It's tough getting any traction with large primes
- Staffing company - see lots of open positions on primes' websites – should be able to fill them

# MYTH ANALYSIS

## Start Up Small Businesses Should Subcontract to a Prime Contractor

- Reality:
  - Prime Contractors typically require past performance to demonstrate the SB can support the requirements. Few exceptions
  - Primes look for marketing effort, customer knowledge and experience, customer calls and access, understanding of the customer mission, research, Industry Day participation, etc.

# MYTH

## Small Business Programs will ensure my success

- I market to the whole federal government so I expect to get something
- Responding to Sources Sought and RFIs is a waste of time
- Large primes need me
- Large primes never meet their goals

# MYTH ANALYSIS

## Small Business Programs will ensure my success

- Reality:
  - Small Business Programs were designed and implemented to assist SBs in gaining opportunities for contracts. It is not enough that the business is small.
  - Past performance, quality products/services, customer understanding, ability to respond to the requirements, competitive pricing, etc. are necessary to become successful.

# MYTH

## Financial Health is not a concern

- Primes don't need to worry about SB financial situation
- It's none of the prime's business how a SB sub is doing

# MYTH ANALYSIS

## Financial Health is not a concern

- Reality:
  - Prime contractors request Dun & Bradstreet reports for their subcontractors
  - It is important that a SB have the financial stability to support the contract. Payment terms and lag time are business realities
  - Primes cannot afford to have SBs that can't pay employees and suppliers on time
  - Government does not want a SB prime that may default and not complete the contract, and LBs will not sub to a financially-weak SB



# MYTH

## Presentation is not that big an issue

- Presentation is everything!
  - Emails, VMs
  - Meetings
  - Elevator Speech
  - Responsiveness
  - Registration with a LB
- Registering in databases is a waste of time – they're just a bunch of big black holes! No one ever uses them....
- I send a lot of emails but seem to have difficulty getting responses. It's tough getting any traction with large primes

# MYTH ANALYSIS

Presentation is not that big an issue

Reality:

- First impressions are critical. Elevator speeches, preparation, capabilities statement, dress, manner, responsiveness, etc.
- Professionalism reflects how focused a SB is on marketing for and execution of contracts
- Presentation and responsiveness may determine if you get to the next level

# Get It Right- Business Card

- FRONT OF THE CARD

- Name
- Address-email and URL
- Phone numbers, cell, mobile, work, fax
- Socioeconomic status
- Key words, describing business, example:  
Information Technology,  
Shipbuilding, Training

- BACK OF THE CARD

- Primary NAIC Codes
- Primary FSC Codes
- Duns #, Cage Code



# FIRST IMPRESSIONS COUNT!

- Dress for success
- Always- good grooming
- Have a five minute “elevator” speech prepared
- Know your customer- Do your homework to be ready to discuss how you can bring value to the effort
- Ask for the preferred method of follow-up communication

# WHAT DO PEOPLE REMEMBER?

- Face
- Logo
- Sharp five minute speech
- Knowledge of customer needs
- Unique Capabilities
- Follow-up (regularly, but not TOO often)